

THE SECRETARY OF DEFENSE  
WASHINGTON, D. C. 20301

27 February 1973

MEMORANDUM FOR THE ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY  
AFFAIRS

SUBJECT: Responding to Mrs. Meir's Requests for Military Equipment

(S) We have been informed by the Israeli Ministry of Defense that Mrs. Meir intends to request:

- Approval of U.S. assistance for production of SUPER MIRAGE aircraft in Israel;
- Sale of an additional 36 F-4 and 30 A-4 aircraft, with deliveries beginning when present orders run out (to be followed later by additional requests for both F-4s and A-4s);
- Sale of IANCE surface-to-surface missiles; Laser-Guided and Electro Optical Guided bombs (IGBs and EOBs); and of helicopter gunships.
- An offset agreement under which DoD would purchase Israeli-made parts for inclusion in U.S. military hardware.

(C) In accordance with the practice established by the President, as outlined in Secretary Laird's memorandum to you of 18 July 1970, I have personally reviewed these requests.

(S) Careful study by the DoD Middle East Task Group indicates Israel has no military requirement for any of these requests, though there is some rationale for assisting in limited indigenous SUPER MIRAGE production. Israel already has a very substantial military superiority over its Arab neighbors, and this superiority is increasing. The Soviet withdrawal from Egypt seriously weakened Israel's major foe, and there is no evidence that either Egyptian or Syrian air combat capability is improving. Given this acknowledged preponderance of arms, I see no justification for sale at this time of additional A-4 and F-4 aircraft, or of the other advanced weapons Israel is requesting.

OSD REVIEWED 08-Mar-2011: NO OBJECTION TO DECLASSIFICATION.

(S) I am particularly disturbed by the fact that further approvals could, in turn, be used to justify additional credit requests, and requests for U.S. military purchases in Israel. I might also note that we could only fill Israel's F-4 request by further diversions of USAF aircraft, at a time when our needs clearly are greater than those of Israel. We are selling Israel very large quantities of arms, and are fully prepared to sell more -- including aircraft -- should the need arise. Provision of major advanced offensive weapons systems such as LANCE, IGBs, and armed helicopters, however, would risk a serious escalation of the Middle East arms race at a time when it may be easing off, and could needlessly endanger our hopes for progress toward a negotiated agreement.

(S) Despite our belief that no additional aircraft are needed, I have approved the memorandum for the President on Israel's aircraft requests. I would stress that in doing so, I attach great importance to the establishment of a level of A-4 and F-4 aircraft which the U.S. is willing to support. The level suggested in the memorandum is about 100 F-4s and 200 A-4s, which is consistent with present sales commitments, and is the figure recommended by the DoD Survey Team. This number should be sufficient to ensure continuing Israeli air superiority. For the time being, in responding to Mrs. Meir's aircraft requests, I propose to adhere to the positions taken in the agreed memorandum, and will avoid making any commitments at this time.

(S) I plan to indicate that Israel's other requests cause us some concern, coming at a time when the ceasefire is in its third year, the threat to Israel has been lessened by Soviet withdrawals from Egypt, and we are hoping for progress in the diplomatic area toward a negotiated settlement. Accordingly, I intend to indicate these requests, too, are being reviewed, and we are not prepared to respond to them at this time. On the question of U.S. military purchases in Israel, I intend to indicate we are doing what we can within the terms of the "Buy American" act, but, in fairness to many other allies, are unable to justify waiver of the act for Israel.

(S) With respect to FMS credit, it now seems clear that there is no longer any economic justification for continuation of the credit program. Israel is already over \$1 billion in debt to the U.S., more than half on concessionary terms. In essence, Israel is using U.S. aid simply to build up its foreign exchange reserves. Accordingly, I believe we should use the meeting with Mrs. Meir to suggest that in view of our balance of payments problems, the USG must exercise careful restraint in the allocation of new credits, and express our hope that as Israel's economy continues to grow it should be possible to begin reducing credit assistance.

SECRET SENSITIVE

(U) Should the President prefer a different approach to any of these requests, I will be pleased to hear from you.

E. L. R.